

ATTENDANCE: Mayor Moore; Council member Linda Carter, Mike Hardy, Scott Phillips and Doug Welton; City Manager Dave Tuckett; Finance Director Sara Hubbs; City Attorney Mark Sorenson

Councilmember Hulet Excused

Meeting began at 6:04 pm.

PRAYER & PLEDGE OF ALLEGIANCE: Prayer offered by Councilmember Welton; Pledge of Allegiance led by Councilmember Phillips.

CONSENT AGENDA: Approval of June 1, 2016 Payson City Council Meeting Minutes.

MOTION by Councilmember Carter to approve the Consent Agenda. Motion seconded by Councilmember Hardy. Motion Carried.

PUBLIC FORUM: Public Forum opened at 6:06 p.m.

Mr. Dean Moody expressed concerns regarding the pressurized irrigation in regards to the rates. He said as he looked over his monthly utility amounts he notices the rates keep increasing. He said he has always liked the set rates for pressurized irrigation. He said he is concerned about the rates affecting those on fixed and limited incomes. He asked what the cost increase would be for an average home. Mayor Moore said the meter system won't take affect for a few years. He said Payson is paying \$80/acre foot in Payson and in Saratoga Springs they are paying \$7,000/acre foot. He said the cost of water is going to increase and it will be out of the city's control. He said they are trying to get the canal piped, which is over 100 years old. Mayor Moore said four years down the road he won't even guess how much a resident will be paying.

Councilmember Phillips said that the state is looking at mandating installing meters and they have already mandated implementing a tiered rate. Councilmember Phillips said that if users conserve they will not be charge as much and will be rewarded. Discussion was held regarding what a cost could be in the future for the home. Councilmember Phillips said that they are hoping to provide a base rate that would cover the normal use before the tiered rates phase in. Councilmember Carter said that Payson City was one of the first cities in the county to install the PI system and it hasn't charged for it other than the base rate.

Mr. Moody asked if the city is losing money on the PI system. Mayor Moore said that they aren't losing money, but they aren't saving money for system upgrades and the system is dilapidated. Councilmember Welton said that nobody wants to charge high enough rates to save for improvements, so the city is operating in crisis mode. He said he doesn't like the idea of raising rates either because he lives on a limited income, but he also doesn't like the city to operate in crisis mode.

Mayor Moore discussed the needs of the High Line Canal. Mayor Moore said that the city received a matching grant for \$300,000 to help implement meters. Councilmember Phillips stated that Utah is the second driest state in the nation, but citizens don't water like it. Councilmember Hardy said that when Spanish Fork installed the meters, it increased conservation by 30%.

Curtis Marvin asked if the 4" waterline would also include the curb, gutter, and sidewalk. Brent Arns said the pipeline starts at 6th East and goes to Salem Canal. Councilmember Phillips asked what the timeline would be. He asked about the bids that were submitted for 6th East and when it will be awarded. Mr. Jockumsen said there were three bids received and it will be awarded once it is reviewed. Mr. Jockumsen said the project will be started within the next month or so.

Christy Dalton said she is the Liaison for the Dry Creek Park disaster that looks pretty sad. She said the neighbors put in a \$500 bond to have the park maintained, watered and built. She said that she has emailed the city and hasn't heard a response back from the city. She asked why the park was allowed to be let go and what is Council's plan to address the issue. She said people are moving because of the park. Mayor Moore asked the Parks Director Tracy Zobell to address Ms. Dalton's questions. Mr. Zobell said that the watering schedule hurt the ability to water parks at an optimal schedule. Mr. Zobell said that all the parks have been suffering due to the watering restrictions. Ms. Dalton agreed that all the parks look awful except for Memorial Park. Mr. Zobell stated that later during this meeting they are hoping to be able to change the watering schedule if council approves it.

Tara Mechan discussed the frontage on Main Street from 8th south to 7th south a couple months ago and she said Mr. Zobell came up with an estimate of about \$5,500 to help hide the weeds. Mr. Zobell said that he would love to get it done, if it gets included in the budget. Ms. Mechan asked if it could be included in the budget and said that she is willing to help with labor and reduce costs. Mr. Zobell said that his estimate did not include the cost of the labor and it only included items that need to be purchased like irrigation and seed.

She also asked if there are projects for the boys trying to earn their eagle scouts. She said she has contacted the city previously about doing eagle-scout projects and was told there wasn't any. She asked if there are parks that the boys could weed. Ms. Mechan said that she has met with Karl Teemant and the plans to help improve the vacant lot would integrate with the new ball fields that will be built eventually. She said she is willing to donate her time and would like to see eagle-scout projects as well. She stated her appreciation for the council and Mayor and said she is working on the PARC Committee.

Public Forum closed at 6:30 p.m.

STAFF REPORTS:

PUBLIC WORKS - Director Travis Jockumsen stated the water department has been busy fixing water leaks, which there have been three on Main Street alone. Mayor Moore asked how long the water line in Main Street would last. Mr. Jockumsen said maybe a few years and because it is so old it is difficult to repair. He stated the street crews have been busy and have been paving 150 West to 200 West, 1400 South, 600 West, and they are just starting on 500 West over by Spring Lake Elementary.

PARKS – Tracy Zobell said that the parks crew spent a lot of their efforts at the Peteetneet this year. He said they completed the sprinkler system installation for about \$45,000, but if bid out would have cost \$120,000 to \$140,000. He stated a lot of the parks were killed last year due to the lack of water and it will take time to get them back where they need to be. He said the Kiwanis golf tournament was

successful and raised about \$6500. He said they are running a BYU camp this week and next week, Wednesday they are having a State Am qualifying, and tomorrow night they are hosting the couples league and the Governor is stopping by to join the pot luck dinner. He invited Mayor and Council to attend.

Councilmember Carter said that the Gladstan Ladies league hosted a golf tournament on Monday and everyone commented how beautiful the course looked. She thanked Mr. Zobell and Mark Hyland for all their hard work keeping the golf course looking nice. Mr. Zobell said that the golf show was recorded at Gladstan and aired on Sunday and invited them to check out the recording on KSL.com.

POLICE – Chief Bishop mentioned the last two week Payson City had 62 Arrests, 100 Offenses, 145 Citations, 194 Violations, 461 Calls, 1 DUI, 175 traffic stops, and 16 traffic accidents.

Councilmember Hardy asked why the numbers have declined. Chief said they would like to think it is due to officers out patrolling more. Chief Bishop said that they have been trying to get people to slow down and pay more attention to traffic signs. He said on June 28th, in conjunction with the Tour of Utah, they are hosting a bike rodeo for the youth of Payson City at Hillman Field. Councilmember Hardy asked how that is being marketed. Chief said it is being shared on social media and web page. He said he expects to have about 500 to 600 kids attend. He said they will have a bike shop there to provide free maintenance.

He said he had the opportunity to meet with other Police Chiefs regarding High Line Canal and creating a response plan for any emergency that could occur because the canal is 100 years old. He said Payson and Salem house the most critical areas of failure. He said it is pretty urgent to get the High Line Canal piped, which is a \$92 million project. He said the cities are going to get together and come up with a plan to help mitigate any future problems. He said High Line has hired a full time employee to watch the canal at night. He said he has asked Derek to place mile markers on the canal, so they can respond better to any future emergencies.

Chief Bishop said Linda Schwartz, a police secretary that has been with the city for 26 years, will be retiring on June 30th and he wished her luck. He said they are doing interviews for replacement officers for the officer that left a month ago. Mayor Moore asked how many applications he received. He said they received about 18.

RECREATION – Recreation Director Karl Teemant said this week the tumbling camp started at Park View elementary and will also have another camp in July along with a cheer camp. He said this week they are hosting the “Addict to Athlete” softball tournament and they are happy to support that cause.

COMMUNITY EVENTS – Janeen Dean said the dance show that was held last week was success and she was able to raise \$800 for the concert in July. She reminded everyone of the dutch-oven dinner and concert on July 23rd for the Billy Dean Concert. She stated that she has had great support for fundraising for that event.

COUNCIL REPORTS:

Councilmember Hardy thanked the streets department. He said he looked at 150 West and it looked very good. He said the Chamber had the movies under the stars event last weekend which about 400 people attended and they have 3 more planned for the rest of the summer. He expressed his appreciation to the Chamber for helping businesses. He discussed the events that the Chamber had planned for the rest of the year. He mentioned the Interfaith Council will hold a Prayer Breakfast during Onion Days. He said the Kiwanis golf tournament was a great event and expressed appreciation for the Kiwanis club.

Councilmember Welton thanked the staff for their hard work and willingness to talk with him. He said he has talked to almost everyone in each department and he appreciates all the work the employees do.

Councilmember Carter expressed her appreciation for the city staff as well. She said that the events Janeen Dean puts on are wonderful and said that everyone helps to make those events run smoothly. She wanted employees to know how much she appreciates them.

Councilmember Phillips thanked the streets department for all their hard work and their quality work. Councilmember Phillips asked if Mr. Tuckett would look into why the “reply to all” gets sent back to him. Councilmember Phillips thanked staff for trying to get the elevator fixed at the Peteetneet and fitting it into this budget year. Discussion was held regarding different options to maintain the elevator.

Mayor Moore said that they have received some notifications regarding water issues and agreements. He said some of the notices have been from the Federal government and the state. He said they are actively working on water issues.

Councilmember Phillips stated his appreciation for Melanie Marsh the Human Resources coordinator and acknowledged all of her hard work.

PUBLIC HEARING: PROPOSED AMENDMENTS TO FY2015-2016 BUDGET

MOTION by Councilmember Hardy to open public hearing. Motion seconded by Councilmember Welton. Motion Carried.

Finance Director Sara Hubbs presented the amendments for the FY2016 budget. She said most of the budget amendments are due to excess revenues that have been received.

- \$7,000 Sr. Citizen Center received last year’s Eldridge grant.
- Dia grant of \$500; Young Adult of \$500, and CLEF grant increase of \$2400.
- \$4,367 Wellness Revenue brought in and not budgeted, which covers the wellness expenses.
- \$300 Excess revenue to cover deposit needed on backdrops.
- \$25,000 Excess revenue for pump for sewer department. The total cost is \$47,000, and they will use excess revenue from Effluent Water and remaining budget in the Fuel and Professional Services expense accounts to cover the purchase.

- \$27,100 excess miscellaneous revenue to cover expenses. The City paid for the 2017 membership for the Utah League of Cities & Towns and for the Chamber. The Cost of Elections was over budget due to the City having a Primary which was not budgeted.
- \$5,444.22 Sale of Police Dodge Charger, less 7% to be used to purchase A/C unit & partial pay of Command Trailer
- \$290.36 Business Alcohol Compliance checks(EASY) reimbursed to OT account
- \$5,000 State Highway grant to reimburse purchase of Video Camera for Animal Control Vehicle, our ACO is also POST certified. The video camera will be necessary for her to have for Police calls as well as ACO calls. \$2,768.48 DUI OT reimbursement for OT account.
- \$690 excess license fee revenues used for reimbursement to SUVAS from ACO Professional Services
- \$10,000 use of fund balance to Repair Peteetneet Elevator

MOTION by Councilmember Hardy to close public hearing. Motion seconded by Councilmember Phillips. Motion Carried.

Councilmember Welton asked if the elevator was used every day by the people that work at the Peteetneet. Janeen Dean confirmed that the elevator is used every day. Councilmember Hardy agreed with Councilmember Phillips and said he feels the elevator needs to be fixed right away.

MOTION by Councilmember Phillips to approve resolution adopting amendments to fiscal year 2016 budget. Motion seconded by Councilmember Hardy. Motion Carried. All present voting aye.

PUBLIC HEARING: REVIEW AND ADOPTION OF FY2016-2017 BUDGET

MOTION by Councilmember Hardy to open public hearing. Motion seconded by Councilmember Welton. Motion Carried.

Finance Director Sara Hubbs presented a summary of the fiscal year 2017 budget. She stated the budget was balanced without a truth in taxation, but Council will determine if they want to proceed with that, which would bring in about \$70,000 in general fund revenue.

Mr. Tuckett said that staff has been in contact with the ULCT because the revenues that ULCT had projected the city would receive were not coming in as projected. He said the ULCT has responded and the cities will not be receiving what they had originally projected, so the Class C budget could be reduced due to the revenues not coming in as projected.

Ms. Hubbs showed a list of projects that have been postponed. Discussion was held regarding the parking lots that are in desperate need of repair that keeps being put off. Mr. Tuckett said that the truth in taxation funds could be used to fund some of the postponed projects.

Ms. Hubbs displayed the property taxes that were proposed by the county and the rate if increased to be kept the same as last year's rate. She explained that the county uses a formula to provide the city with the same amount of property tax revenue each year. She said if property values increase then the property tax rate will decrease and vice versa. She said property values have increased since the last year, so the county proposed property tax rate decreased from .001280 to .001192. She said if the

council does a truth in taxation and keeps the rate at .001280 it will generate about \$72,000 for the general fund.

Tara Mechan said that she is on the PARC committee and she has been talking to citizens and she said most of them are willing to increase taxes to make improvements. She said she has looked at the budget and is bare bones. She said improvements need to be made or Payson won't be a great place. She said if citizens want improvements made they have to be willing to pay more taxes. She said the \$16 annual increase is not a big deal and neither is the PARC tax initiative. She said she wants improvements made to help Payson remain a great place to live.

Christy Dalton reiterated what Ms. Mechan said about if Payson doesn't improve a few things in this sweet town the builders will go elsewhere and families are going to move away. She said she loves this town and she wants to see the town flourish and if more community involvement is what is needed she is willing. She said people will live with the tax increases and they'll be grateful for nice parks and the ability to flush toilets.

Burtis Bills said that he is adamantly opposed to increasing tax rates. He asked where the surplus vehicles are being disposed. Councilmember Phillips said that they are sold through the public auction.

Tara Mechan said that on Wednesday June 29th there will be a public open forum for Payson Citizens. She said that the PARC initiative will help improve the parks, arts, recreation, and culture and encouraged all citizens to attend the June 29th meeting. She said it would help with the budget and provide funds for parks, Payson Community Theater, and the Peteetneet.

Doug Snow said that he is wondering why the trees at the golf course could not be used at the vacant land. He also asked why the library parking lot was not included on the list of projects that was postponed. He said currently the parking lot does not comply with the American Disabilities Act. He stated the library parking lot needs to be addressed.

MOTION by Councilmember Phillips to close public hearing. Motion seconded by Councilmember Hardy. Motion Carried.

Councilmember Hardy said that he feels they need to have a truth in taxation.

Mr. Tuckett said that there will be another public hearing on August 3rd to discuss the truth in taxation and also to approve the final budget. He said during the time until that budget is adopted the city will operate under the budget that is tentatively approved.

Councilmember Welton said that it is important to have the conversation with citizens to discuss the truth in taxation. Cheryl Hobbs said that another presentation Ms. Hubbs shared in April proposed a \$15 month rate increase. She expressed her frustration with the issues the water department is facing, which causes a ripple effect on her ability to get the bills out in a timely manner. She asked council why they aren't considering a higher monthly rate increase. Councilmember Phillips said that if the city can take care of some debt, then they can revisit the rates, but the council needs to get rid of some debt and obligations before he'll consider it.

MOTION by Councilmember Hardy to approve tentative budget and proceed with a truth in taxation in August. Motion seconded by Councilmember Phillips. Motion Carried. All present voting aye.

PUBLIC HEARING: ZONE CHANGE, OVERLAY ZONE, AND PRELIMINARY AND FINAL APPROVAL – STERLING GROVE SUBDIVISION

MOTION by Councilmember Hardy to open public hearing. Motion seconded by Councilmember Welton. Motion Carried.

City Planner Jill Spencer said the applicant in need of zone change request, an overlay zone, and final approval.

She said the northern tip of the property is located in the S1 Commercial zone. She said that is typical zoning since it is close to the freeway, but she said due to how RiteAid and McDonalds was developed, it doesn't make it a viable area for commercial property since there is no access to main street. She said the applicant wants to have it rezoned to R275. Mayor Moore asked if the interchange is redone, what effect would it have on that property. Councilmember Welton echoed Mayor Moore's concern about the potential of losing out on commercial properties if the interchange is redone and they rezone the area to residential. Planner Spencer said that she has discussed this proposal with UDOT and their consulting team and they have designed their plans to be a three-way intersection and the proposal works with UDOTs plans. She said that she received a letter from UDOT confirming that the intersection will work without the fourth leg on Main Street.

She said the applicant is proposing some twin homes in the subdivision. She said the difference between duplex and twin homes is that twin homes are usually owned whereas duplexes are typically rented. She said multi-family units have to have all of the landscaping finished before they can be occupied.

Mayor Moore asked how they would be handling the water needs. Mr. Dave Tuckett said that the ordinance requires them to bring water. Planner Spencer said that they have enough water for Phase 1 and Phase 2.

Justin Hill said that he has a strong interest in developing the ground and improving Payson City. He said he feels that the twin homes will carry on the feel that is already there on Nebecker lane. He said he wants to continue what he has there and continue the beautification project. He said they have worked out the Kaufer property. He said that he really wants to be involved in the design and feel of the subdivision. He said he hopes by being hands-on and involved that he will continue to provide quality product.

Councilmember Phillips said that he is great with everything except for the culdesac with the cars and the snow. Mr. Hill said that he lives in a culdesac and they try to help make it work for utility vehicles. Mr. Hill said that they have reduced it to 96 feet and the state code is 80 feet. He said they are increasing the ditch 44 feet, but 25 feet of it is clean out boxes so they can maintain that ditch.

Mayor Moore asked if there would be any pressurized issues with this development. Councilmember Phillips said that they wouldn't.

Kyle mentioned that they are proposing putting in a 20x20 snow easement in zone 3, which is something they have done in the culdesac in South Jordan. He said the staff has been great and the open door policy is very helpful. He said he appreciated the staff's cooperation and working with them on issues. He said they want to beautify the community and is trying to suggest something that puts their best foot forward.

Burtis Bills said that he is excited to see a weed a patch turn into something better. He said he likes the idea of housing to help with the workforce need. He said he doesn't mind the idea of high density housing that will get the rooftops needed that help attract commercial developments. He asked where visitors would park and suggested they have designated parking stalls for the townhomes. He said that he would like to see Payson City take ownership of the road. He recommended that council approve the zone change, the overlay zone, the preliminary zone, and the final plot approval. He said he is very excited about this development.

Tara Mechan asked when this development will be built out. Mr. Hill said that they are hoping to start in July. She asked if the new interchange will take out their new homes. Mayor Moore and City Attorney said that Planner Spencer has checked with UDOT and the four alternatives will not affect the homes.

Dan Pike stated his appreciation for the city paving the 200 West near his house. He said that he has no problem with the development, but he is concerned about the impact of the increased traffic to his street. He said that 200 West does not have a sidewalk, so he is concerned about kids walking and the quality of the roads. He said that there has been talk about doing an SID and they are concerned about the impact and the upkeep of the road. He asked the city to help get the improvements on 200 West.

Councilmember Carter told Mr. Pike that she has heard that the residents on 200 West do not want sidewalk, curb, and gutter. He confirmed that there are people that do not want the improvements, but there are people that do. Councilmember Carter encouraged Mr. Pike to contact the citizens that live on that street and tell them the information that he had just shared with the Council and let them know that if sidewalk, curb, and gutter are installed it will help preserve the road.

Planner Spencer said that Mr. Pike brought up an issue that was majority of citizens concerns at the planning commission meeting, which is the condition of the roads. She said after the planning commission meeting she met with staff and they have talked about organizing a neighborhood meeting to address the concerns. She said some other concerns that were brought up during the planning commission meeting were understanding what an SID is and the payment options available. Councilmember Phillips said the biggest problem is that most of the houses sit lower than the roads.

Bob Provstgard said that he lives on 2nd West and built the Dixon subdivision. He said that when he bought the property from his teacher, he promised that he would keep it residential. He said that he has earmarked the property for years and is happy with Justin's proposal and it is contiguous with the other homes there. He said the City should be happy that this type of subdivision is being proposed. He said that he doesn't see anything negative about the project.

Councilmember Carter said that during the planning commission meeting Angela Terry said that she has an 11-year-old son who comes home with needles and syringes and other “treasures” from the field. She said that she doesn’t want her son to have treasures like that and that she wants him to have friends.

MOTION by Councilmember Phillips to close public hearing. Motion seconded by Councilmember Welton. Motion Carried.

MOTION by Councilmember Phillips to approve resolution approving zone change from S1 to R-2-75. Motion seconded by Councilmember Hardy. Motion Carried. All present voting aye.

MOTION by Councilmember Hardy to approve resolution granting RMO1 overlay zone and include staff conditions. Motion seconded by Councilmember Phillips. Motion Carried. All present voting aye.

MOTION by Councilmember Hardy to approve preliminary plans with staff conditions. Motion seconded by Councilmember Carter. Motion Carried. All present voting aye.

RESOLUTION – REQUEST FOR EXCEPTION TO THE PERMANENT BUILDING REQUIREMENT

Kyle Deans stated the Prominence Natural Stone is requesting an exception to the permanent building requirement for their property located at 1775 West 400 North in Payson. An exception can be granted, based on Payson City Code. He said that the current location is zoned as I1 and would need to be rezoned as I2.

Staff Report

19.8.4.1 Permanent Building Required, Exceptions

It is the intention of Payson City to locate commercial and industrial businesses in the community that are stable and are expected to become part of the fabric of the City. Therefore, each commercial and industrial business is required to be housed on a permanent masonry foundation with the following exceptions:

1. Temporary or transient businesses in accordance with Title 4, Business License Ordinance of Payson City.
2. If it can be demonstrated to the City Council that a permanent building is not an essential part of the business operation.

Allaire Younica, the co-owner, with her husband Ed Younica of Prominence Natural Stone own the parcel located at 1775 West 400 North.

Request letter from the applicant:

“Thank you for reviewing this request. Prominence Natural Stone, Inc. would like a business license to enable us to grow and expand the operations of our company. Currently we use the property to hold stone, and have a business license based out my home in Payson where the accounting functions of the business take place. We would like to fabricate natural stone on our property, which does not require us

to have a building. The functions include using a chisel and hammer, saws, and a quiet hydraulic chopper. The only activity at this location will be stone truck delivery, truck pick up and fabrication.

Reason and Justification

Prominence Natural Stone, Inc. had over 1 million dollars in taxable sales in 2015, which revenue went to Payson City. We need expand the operations of our business in order to continue growing, and we estimate that fabricating stone will increase our sales by 30% in the first year. We are residents of Payson and would like to contribute to the community. We desire to hire employees from Payson, shop locally for our business in Payson and continue to pay and increase our tax revenues to Payson.

The location of the parcel is at the end of a street with a truck turn about that ends at the railroad, there is no way through or over the tracks, and it is blocked with concrete barriers. The frequently used railroad runs the length of the west side of the property with about 8 trains running a day. We intend to keep all stone and operations off of the right away and keep the property organized and orderly.”

The applicant is asking the City Council to consider the following modifications that would normally apply to this type of project:

1. *Outdoor Storage.* It is generally anticipated that outdoor storage will be an ancillary use associated with an established place of business. In this instance, the applicant is currently using the property to store stone prior to delivering it to a construction site and would continue to store stone at the site.
2. *Permanent Structure.* Every business activity has some measurable impact on municipal infrastructure and services. The funds needed to provide municipal service and maintain infrastructure are typically generated through property tax, sales tax or utility rates. For this purpose, Payson City has regulations that require a permanent building to be constructed on each project site. In this instance, the applicant is proposing accessory buildings (sheds) to store and secure the equipment necessary for on-site stone fabrication. Accessory buildings are classified as such, when they are accessory to a primary structure. These accessory building which are not taxed as real property, do not generate sales tax, and will not be connected to municipal services, with the exception of the electrical service, which is already on site.
3. *Installation of Improvements.* The installation of improvements, including curb gutter and sidewalk, connection to sewer, culinary water and pressurized irrigation is required at the time of the issuance of a building permit for a new structure or the addition of 25% or more to an existing structure. With the request for an exception to a permanent building these improvements will not be triggered. The applicant plans to have a porta-john on sight for use of the employees. (previously workers used the restroom at Olsen’s.
 - a. The sewer that is located at the intersection of 400 N and 1100 W is too shallow to reach the property, without a lift station.
 - b. A porta-john would need to be tied down and have a containment unit.
4. *Other Considerations.*
 - a. **Off-Street Parking.** A permanent building would require adequate hard surfaced off street parking, based on the square footage of the building. Payson City ordinance **19.4.3 Parking Spaces Required – General “Off-street parking shall be provided as follows or all new buildings and structures, or enlargement of any existing buildings or structure. Furthermore, all new businesses are subject to the provisions of the**

Chapter....” The Chapter does not however address the number of off-street parking spaces required for a business that receives a permanent building exception. The applicant has suggested off street parking for workers, on a gravel lot.

- b. Does the City Council want to allow the exception for a permanent building indefinitely or impose a time frame?
- c. The Sales tax for this business has previous gone to Provo City, as the business was once operated from a building the applicant owned there. The applicant sold the property, moved the business to a home based business in Payson, but neglected to complete the required sales tax form for the taxes to be sent to Payson. The applicant has completed the required form necessary for the Sales Tax to come to Payson City.
- d. If the permanent building exception is granted the applicant will still be required to apply for a zone change on the property from I-1 Industrial Zone to I-2 Heavy Industrial Zone, as the planned use is not allowed in the I-1 Zone.

Councilmember Hardy asked if this site is visible from all around. Mr. Deans showed an aerial and of the property which is adjacent to the rail road tracks down the west side of the parcel. He said it will only be visible from the

Mayor Moore asked their operations consisted of. Allaire Younica owner of Prominence Stone said that they buy real stone and then fabricate it down to thinner veneer that is installed on homes. Mayor Moore asked how they go about doing that. She said that sometimes it is a hammer and chisel or a hand skill saw. She said you just have to understand stone and the pressure points. She said it's not real messy and not real noisy.

Councilmember Carter said that she drove past her site and saw some buildings. Ms. Younica said that there are two sheds that they have on the property, and the house is located on the Hale's property which is separate. Mayor Moore asked if Ms. Younica had talked with the Hales. Ms. Younica said that they are good friends and they don't mind it. She said they have talked with the Hales and Olson's Garden and they are supportive of what they want to do. Councilmember Hardy asked if there are any visible pollution. She said that the stone is clean.

Mayor Moore said that he has hesitation because they denied someone else because they don't have curb and gutter. Ms. Younica said that his situation is different because the other applicant has permanent structures.

Councilmember Phillips said that he is concerned about the type of businesses that could come in after if they change the zone to I2. Councilmember Hardy asked what type of businesses could be approved in I2 zones. Mr. Deans showed the different types of businesses that are permitted uses for the I2 zone.

Councilmember Welton asked how much it would cost to put in curb, gutter, and sidewalk. Councilmember Phillips asked Travis Jockumsen if he would recommend putting in curb, gutter, and sidewalk. Mr. Jockumsen said that if the water drained west then he wouldn't recommend it, but if they don't do it then, they'll never get it. Mayor Moore reiterated his concerns about denying Brad last year and would like to be consistent.

Councilmember Phillips asked if they could make a temporary permit. Councilmember Welton asked if the zone could be changed and then changed back if needed. City Attorney Mark Sorenson recommended that they steer clear of that type of action. Ms. Younica said that they would never have a building on that lot because it would cost a minimum of \$250,000 to take utilities to the lot.

Councilmember Hardy asked Ms. Younica if she understood the concerns of the council. Ms. Younica said that it sounds like they need to work with staff and see if they can find a permitted use that fits under the I1 zone. Mr. Deans said that he will review the ordinance and see if he can find a permitted use.

MOTION by Councilmember Phillips to table the discussion and have staff explore this option more and come back with a recommendation. Motion seconded by Councilmember Hardy. Motion Carried.

RESOLUTION – Adjustments to Fee Schedule

Public Works Director said staff is proposing that the water fee for both the culinary and pressurized irrigation to be raised by \$3.00 each per month on the base rate. He said they are proposing an increase to the culinary monthly base rate from \$16.02 to \$19.02 for up to a 1” meter and all of the other existing fees, based on the meter size, will also increase by the \$3.00 per month. He said the pressurized irrigation will go from \$13.58 per month to \$16.58 per month and the other existing fees for the size of the lot will increase by \$3.00 per month.

Mr. Jockumsen said the State of Utah passed a bill called SB 28, requiring every municipality to pass and enact a tiered culinary water rate structure. This requires us to adopt a rate structure that will encourage conservation and have those that use more water pay more to do so.

The proposed rate structure is to look as follows:

	Monthly Base Rate	Block 1	Block 2	Block 3
Existing Rate Structure	\$16.02	\$0.86		
Proposed Rate Structure	\$19.02	\$0.86	\$1.11	\$1.36

Councilmember Phillips asked if once the meters were installed if he expected to see another raise. Mr. Jockumsen said that they will have to monitor usage and make adjustments as necessary.

Mayor Moore asked what is going to happen to residents who use culinary water to water their lawns. Cheryl Hobbs said that they are not paying the pressurized irrigation monthly rate, so it should be about the same amount of increase for those who use culinary.

Cheryl Hobbs is applying to Chase Paymentech, the city’s credit card merchant, for a special rate on the per transaction cost for utility payments. She said under the special rate, Payson City is not permitted to charge a convenience fee for credit card transactions for utility payments. She is proposing to remove the reference for a convenience fee on credit card payments for electricity from the fee schedule to bring us into compliance with the requirements for the special utility rate.

We have been providing 8-yard containers to residents for temporary use for cleaning up their property, but the rate billed has not been in the fee schedule. We are proposing to add the fee. Councilmember Councilmember Phillips asked what “temporary” meant because he has seen dumpsters at the same place

for years. Discussion was held regarding the time limit for dumpster and it was concluded that 60 days is sufficient time.

Mr. Sorenson said they are adding a Monthly Rental Charge for contractors who use a fire hydrant meter on a monthly basis rather than a daily basis.

Councilmember Hardy asked why the fee schedule was not included in the council packet. Ms. Hubbs stated it was her fault it was not included. Mr. Sorenson explained how the item was not included.

MOTION by Councilmember Hardy to table the fee schedule items. Motion seconded by Councilmember Phillips.

Councilmember Hardy withdrew his motion.

MOTION by Councilmember Hardy to table everything but the water fees and to approve the water fee changes. Motion seconded by Councilmember Phillips. Motion Carried.

RESOLUTION – 2016 IRRIGATION SCHEDULE

City Manager Dave Tuckett said Council has not formally adopted a watering schedule. Section 10.3 of the water ordinance allows the water superintendent, with the approval of the Mayor and City Council, can employ such helps necessary to carry out the duties of the water department. He said the City is not in an emergency situation where we need a proclamation; however, the council in a prior meeting indicated that they wanted to stay with the three days per week watering schedule. He said the resolution sets forth the three day watering schedule with the larger users watering during the daytime. He said a clause was added that states the city can modify its parks and ball fields to accommodate public usage. He used the example of softball tournaments held during daytime would not be able to water during their specified time and would need to water at a different time. Mr. Tuckett said that he has met with Mark Hyland and they discussed watering different parks on different times.

Councilmember Phillips asked how much he would need to water the different parks and Peteetneet. Mr. Hyland said they are losing 50% of their water due to evaporation because they have to water during the day. Mr. Hyland said that he could take all the parks and put them on a chart and schedule as many as he can at night, so it won't adversely affect the pressure for the citizens.

Mayor Moore asked how much pressure is used by the parks. Mr. Hyland said that it is all about water flow and he said that he thinks he could figure it out and build the flow chart. Mr. Teemant said that if the pumps are on at Spring Lake it helps the pressure. Mr. Hyland said he thinks he can make it work. Councilmember Hardy asked if another resolution will be adopted next year to switch the days citizens water since there is a huge outcry from citizens about being stuck on the same day each year. Mr. Tuckett said that the schedule will be modified and a new resolution will be approved next year. Mr. Hyland said that watering should be run by precipitation and not by minutes. He said that maybe they could use the data from the golf course to help establish better watering schedules at the park.

MOTION by Councilmember Phillips to approve resolution approving the irrigation schedule as presented and to establish a watering schedule that will work for the parks. Motion seconded by Councilmember Hardy. Motion Carried.

RESOLUTION – APPROVAL OF DEFERRAL AGREEMENT (at the request of the applicant)

MOTION by Councilmember Carter to table the item. Motion seconded by Councilmember Hardy. Motion Carried.

RESOLUTION – APPOINTMENT OF ECONOMIC DEVELOPMENT BOARD

Mr. Dave Tuckett said the Payson City Council adopted an ordinance that created an Economic Development Board. He said the Board is charged with actively promoting economic development within the city and he noted there has been some change in the make-up of the board since the city council approved the initial list. He listed the following as recommended board members:

Richard D. Moore,	Mayor
Brian Hulet,	City Council Member
Russ Fatheringham	EDCUtah
Ric Johnson	Mountain View Hospital
Rhett Huff	Home Health Care
Cal Workman	Developer
Scott Wilson	Nebo School District
Rory Adams	Farmers Insurance
Byron Bastian	Home Builder
Lyn Ablanap	Temkin International
Scott Phillips	City Council
Mike Hardy	City Council
David Tuckett	City Manager

MOTION by Councilmember Hardy to approve resolution appointing board members to the economic development board as listed. Motion seconded by Councilmember Phillips. Motion Carried.

DETERMINATION OF VALUE FOR PUBLIC PROPERTY

City Planner Jill Spencer Property owners in the Greenridge Overlook Subdivision located along 500 East between 800 South and 1000 South (eastern boundary of Hollow Park) are interested in purchasing property from Payson City to facilitate a request to re-plat the subdivision to accommodate building lots instead of building pads. She said the City Council will need to determine if the sale of public property is suitable and determine the value of the land. She said if the City Council is interested in disposing of public property, a public hearing will need to be conducted at a subsequent meeting following proper notice of the proposal. Planner Spencer said that they had an appraisal done two years ago and it was about \$11,000 per acre.

Richard Hatfield with Apex Engineering who is representing the land owners said that he received the value of the land from Jill and he emailed it out to the citizens and he said that a few of the citizens were ok with the \$11,000 per acre, but then as the day went on more citizens responded who felt that there

was an agreement in the past that each home owner would give a \$10,000 that would go directly toward the improvement of the park, but it didn't happen. Mr. Hatfield proposed three different options that the citizens felt were fair.

1. The property be value at \$0, since the residents don't need it at this time.
2. Residents would help with engineering and surveying costs of the two lots that the city wants sell.
3. He said they would like to reduce it down to \$5,000 per acre since the nature of the property is not very usable.

Councilmember Phillips said that he would like to declare the property as surplus at \$11,000 per acre.

Rachel Francom said that they didn't know that the property was not theirs when they bought the property. She said because the steepness of the slope, they received a bid of \$50,000 for installation of a retaining wall to prevent the lawn from falling off the edge. She said if the city keeps the property, then they will have to maintain the property or else the lawn will fall off the edge.

MOTION by Councilmember Phillips to declare the property as surplus property at \$11,000 per acre. Motion seconded by Councilmember Welton. Motion Carried. All present voting aye.

ADJOURN TO REDEVELOPMENT AGENCY

MOTION by Councilmember Hardy to adjourn to Redevelopment Agency. Motion seconded by Councilmember Welton. Motion Carried

MOTION by Councilmember Phillips to open public hearing. Motion seconded by Councilmember Hardy. Motion Carried.

RDA RESOLUTION – ADOPTION OF FISCAL YEAR 2017 TENTATIVE BUDGET

Ms. Hubbs presented the fiscal year 2017 Redevelopment Agency tentative budget. She said this budget cover the agreement the city has with Walgreens to pay them back half of their sales tax each month.

MOTION by Director Welton to close public hearing. Motion seconded by Director Hardy. Motion Carried.

MOTION by Director Welton to approve RDA resolution approving the FY2017 tentative budget. Motion seconded by Director Phillips. Motion Carried.

MOTION by Director Phillips to adjourn from Redevelopment Agency and reconvene to City Council. Motion seconded by Director Welton. Motion Carried

RECONVENE TO CITY COUNCIL

MOTION by Councilmember Hardy to go into closed session. Motion seconded by Councilmember Carter. Motion Carried

Closed session started at 9:37 p.m.

June 15, 2016 PAYSON CITY COUNCIL MEETING MINUTES

Reconvened at 9:47 p.m.

MOTION by Councilmember Phillips to adjourn.

Meeting adjourned at 9:47 p.m.